

March 11, 2011

William Clark  
President  
Association of Legal Professionals  
c/o City Attorney's Office  
200 E. Santa Clara Street  
San Jose, CA 95113

**RE: City/ALP Negotiations**

Dear Mr. Clark:

As you know, the City and ALP are currently engaged in negotiations over a successor agreement to the current Fiscal Year 2010-2011 Agreement. During our last negotiation session, as well as in previous sessions, ALP indicated that responding to any individual proposal or issue is difficult and would prefer to receive package proposals. In response to this expressed preference, please find enclosed the City's initial package proposal.

This initial package includes a 5% ongoing total compensation reduction to take effect upon expiration of the 5% one-time total compensation reduction for FY 2010-2011, as well as the additional reforms included in the City's Council's direction regarding labor negotiations.

We recognize that the complexity of issues surrounding retirement reform could pose an impediment to an expedited settlement. Accordingly, in this package the City has included proposed side letters that would provide for continued negotiations over retirement related issues.

Our next negotiation session is scheduled for:

Wednesday, March 16, 2011  
10:00 AM-12:00 PM  
City Hall Tower Room #1753

Please feel free to contact me prior to our next scheduled negotiation session should you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read "Gina Donnelly", with a large, stylized flourish at the end.

Gina Donnelly  
Deputy Director of Employee Relations

c: Vera Todorov, ALP Vice-President  
Brian Doyle, ALP Negotiation Team Member  
Marco Mercado, City Negotiation Team Member  
Charles Sakai, City Negotiation Team Member

Enclosure

**CITY OF SAN JOSE AND ALP  
CITY PACKAGE PROPOSAL "A"**

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**TERM**

July 1, 2011 – June 30, 2012

**WAGES**

See Attached

**SICK LEAVE PAYOUT**

See Attached

**VACATION SELLBACK**

See Attached

**DISABILITY LEAVE SUPPLEMENT**

See Attached

**RELEASE TIME**

See Attached

**HOLIDAY CLOSURE**

See Attached

**SIDE LETTERS**

- Retirement Benefits for current and new employees
- Supplemental Retiree Benefit Reserve (SRBR)
- Subsidy for Public Transit

***This proposal is submitted in an attempt to reach a settlement. In the event the proposal is not accepted, the City reserves the right to modify, amend and/or add proposals.***

**CITY PROPOSAL – WAGES**

Proposed Language:

Effective June 27, 2010, all salary ranges for employees holding positions in classifications assigned to ALP shall be decreased by approximately 4.75%. This will result in the top and bottom of the range of all classifications represented by ALP being 4.75% lower. All employees will receive a 4.75% base pay reduction.

Effective June 26, 2011, all salary ranges for employees holding positions in classifications assigned to ALP shall be decreased approximately by an additional 5.39%. This will result in the top and bottom of the range of all classifications represented by ALP being an additional 5.39% lower. All employees will receive an additional 5.39% base pay reduction.

*This language is intended to:*

- *Replace the section entitled “Pay Reduction” in the ALP Tentative Agreement dated June 15, 2010, and delete the section entitled “Mandatory Unpaid Furlough Days” in the ALP Tentative Agreement dated June 15, 2010.*

**CITY PROPOSAL -- SICK LEAVE PAYOUT**

*The City proposes to eliminate Sick Leave Payout. Effective July 1, 2011, no employee shall be eligible for a sick leave payout.*

**CITY PROPOSAL – VACATION SELLBACK**

*The City proposes to eliminate the Vacation Sellback program effective December 24, 2011. Effective December 24, 2011, the Vacation Sellback program is eliminated.*

**CITY PROPOSAL – DISABILITY LEAVE SUPPLEMENT**

*Effective June 26, 2011, Disability Leave Supplement (DLS) is eliminated. Any employee receiving DLS as of June 25, 2011, will no longer be eligible to receive DLS starting June 26, 2011. Employees will only be eligible to receive Workers' Compensation Temporary Disability.*

*This language is intended to:*

- *Replace the section entitled "Disability Leave Supplement" in the ALP Tentative Agreement dated June 15, 2010.*

**CITY PROPOSAL – RELEASE TIME**

Proposed Language

City Paid Union Release Time (URT). The designated Union Representative(s) shall use the City Paid Union Release Time (URT) payroll code for any paid time off eligible for release time from regular City duties to attend authorized meetings. The designated Union Representative(s) shall not receive compensation for meetings that may occur outside their regular work hours, inclusive of any unpaid lunch period.



**CITY PROPOSAL – HOLIDAY CLOSURE**

Proposed Language:

The appropriate appointing authority or designee may determine that all non-essential City operations close for a Holiday Closure during the Christmas and New Year's holiday. In such event, employees shall be encouraged to take time off; however, it shall not be a requirement.

If a department participates in the Holiday Closure and the employee elects to participate in the Holiday Closure using the Holiday Closure payroll code, the employee will be required to pay retirement contributions on any Holiday Closure hours and will not accrue vacation or sick leave while taking Holiday Closure time off.

Classified employees will continue to accrue seniority while using the Holiday Closure payroll code as though they were at work.

## Side Letter Agreement

BETWEEN

THE CITY OF SAN JOSE

and

THE ASSOCIATION OF LEGAL PROFESSIONALS OF SAN JOSE (ALP)

## RETIREMENT REFORM

The City and the Association of Legal Professionals of San Jose (ALP) agree to continue meeting and conferring on pension and retiree healthcare benefits for current and future employees.

Either the City or ALP may provide notice to the other of its request to continue to meet and confer. Upon such notice, the parties shall continue these negotiations within ten (10) calendar days after the City or ALP receives notice from the other. The City and ALP shall continue to meet and confer in good faith in an effort to reach a mutual agreement.

If the parties are at impasse and no agreement is reached, either party may invoke the impasse procedures in accordance with the applicable provisions under the Employer-Employee Relations Resolution No. 39367. The parties understand that this means that, notwithstanding any other provision in any successor agreement between the City and ALP, the City will have the right to unilaterally implement in the event that no agreement is reached at the conclusion of negotiations and mandatory impasse procedures.

This Agreement is tentative and shall become effective only as part of the overall agreement on, and only during the term of, a successor agreement between the City and ALP.

FOR THE CITY:

FOR ALP:

Gina Donnelly  
Deputy Director of Employee Relations

William Clark Date  
Association of Legal Professionals of San  
Jose (ALP)

## Side Letter Agreement

BETWEEN

THE CITY OF SAN JOSE

and

THE ASSOCIATION OF LEGAL PROFESSIONALS OF SAN JOSE (ALP)

**SUPPLEMENTAL RETIREE BENEFIT RESERVE (SRBR)**

The City and the Association of Legal Professionals of San Jose (ALP) agree to discuss the Supplemental Retiree Benefit Reserve (SRBR) program in the Federated City Employees' Retirement System.

Either the City or ALP may provide notice to the other of its request to discuss the SRBR program. Upon such notice, the parties shall continue these discussions within ten (10) calendar days after the City or ALP receives notice from the other.

To the extent that any change to the SRBR program is a mandatory subject of bargaining, the City and ALP shall meet and confer in good faith in an effort to reach a mutual agreement. If the parties are at impasse and no agreement is reached on those issues that are a mandatory subject of bargaining, either party may invoke the impasse procedures in accordance with the applicable provisions under the Employer-Employee Relations Resolution No. 39367. The parties understand that this means that, notwithstanding any other provision in any successor agreement between the City and ALP, the City will have the right to unilaterally implement in the event that no agreement is reached at the conclusion of negotiations and mandatory impasse procedures.

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## Side Letter Agreement

BETWEEN

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and

THE ASSOCIATION OF LEGAL PROFESSIONALS OF SAN JOSE (ALP)

## SUBSIDY FOR PUBLIC TRANSIT

The City and the Association of Legal Professionals of San Jose (ALP) agree to discuss the programs available to employees that provide subsidy for public transit. Discussions shall include, but not be limited to, modifications to the programs, voucher amounts and elimination of the programs.

Either the City or ALP may provide notice to the other of its request to discuss the programs available to employees that provide subsidies for public transit. Upon such notice, the parties shall continue these discussions within ten (10) calendar days after the City or ALP receives notice from the other.

To the extent that any change to the programs may be a mandatory subject of bargaining, the City and ALP shall meet and confer in good faith in an effort to reach a mutual agreement. If the parties are at impasse and no agreement is reached, either party may invoke the impasse procedures in accordance with the applicable provisions under the Employer-Employee Relations Resolution No. 39367. The parties understand that this means that, notwithstanding any other provision in any successor agreement between the City and ALP, the City will have the right to unilaterally implement in the event that no agreement is reached at the conclusion of negotiations and mandatory impasse procedures.

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